

ND ASSOCIATION OF COUNTIES FUND  
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2004

	May-04				April-04				March-04				December-03				September-03				Current	Prior Year	3 Years	5 Years
	Allocation			Month	Allocation			Month	Allocation			Quarter	Allocation			Quarter	Allocation			Quarter	Net	Net	6/30/2003	6/30/2003
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR			Net	Net
LARGE CAP DOMESTIC EQUITY																								
Structured Growth																								
Los Angeles Capital	9,159	3.0%	3.0%	1.48%	9,030	3.0%	3.0%	-0.54%	9,682	3.1%	3.0%	-0.34%	9,427	3.1%	3.0%	9.12%	8,636	3.1%	3.0%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	0	0.0%	0.0%	N/A	0	0.0%	0.0%	N/A	0	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	N/A
Total Structured Growth	9,159	3.0%	3.0%	1.48%	9,030	3.0%	3.0%	-0.54%	9,682	3.1%	3.0%	-0.34%	9,427	3.1%	3.0%	9.12%	8,636	3.1%	3.0%	4.99%	15.23%	-1.88%	-21.24%	N/A
Russell 1000 Growth				1.86%				-1.16%				0.79%				10.41%				3.92%	16.43%	2.94%	-21.54%	N/A
Structured Value																								
LSV	9,083	3.0%	3.0%	0.55%	9,029	3.0%	3.0%	-2.38%	9,579	3.1%	3.0%	6.22%	9,522	3.2%	3.0%	15.66%	8,243	2.9%	3.0%	3.75%	25.12%	-2.25%	8.84%	N/A
Russell 1000 Value				1.02%				-2.44%				3.03%				14.19%				2.06%	18.34%	-1.02%	-0.19%	N/A
Russell 1000 Enhanced Index																								
LA Capital	18,959	6.3%	6.0%	1.49%	18,674	6.2%	6.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Russell 1000				1.44%				-1.81%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
S&P 500 Enhanced Index																								
Westridge	18,484	6.1%	12.0%	1.38%	18,210	6.0%	12.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
S&P 500				1.37%				-1.57%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
Index																								
State Street	4,251			1.37%	4,194			-1.57%	3,856			1.68%	42,666			12.16%	38,036			2.64%	16.78%	0.23%	-11.28%	N/A
Transition Account	0			N/A	19			N/A	38,962			N/A	N/A			N/A	N/A			N/A	N/A	N/A	N/A	N/A
Total Index	4,251	1.4%	2.0%	1.37%	4,212	1.4%	2.0%	-1.57%	42,818	13.9%	14.0%	1.68%	42,666	14.2%	14.0%	12.16%	38,036	13.5%	14.0%	2.64%	16.78%	0.23%	-11.28%	N/A
S&P 500				1.37%				-1.57%				1.69%				12.18%				2.64%	16.84%	0.25%	-11.20%	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	59,936	19.8%	20.0%	1.30%	59,156	19.6%	20.0%	-2.22%	62,078	20.1%	20.0%	2.91%	61,614	20.6%	20.0%	12.20%	54,915	19.5%	20.0%	3.15%	17.97%	-0.48%	-9.33%	N/A
S&P 500				1.37%				-1.57%				1.69%				12.18%				2.64%	16.84%	0.25%	-11.20%	N/A
SMALL CAP DOMESTIC EQUITY																								
Manager-of-Managers																								
SEI	30,035	9.9%	10.0%	1.07%	29,733	9.8%	10.0%	-5.02%	33,481	10.8%	10.0%	6.61%	31,403	10.5%	10.0%	14.82%	27,345	9.7%	10.0%	9.48%	28.66%	0.09%	N/A	N/A
Russell 2000 + 200bp				1.76%				-4.93%				6.78%				15.07%				9.60%	30.28%	0.36%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	30,035	9.9%	10.0%	1.07%	29,733	9.8%	10.0%	-5.02%	33,481	10.8%	10.0%	6.61%	31,403	10.5%	10.0%	14.82%	27,345	9.7%	10.0%	9.48%	28.66%	0.09%	-3.49%	N/A
Russell 2000				1.59%				-5.10%				6.26%				14.52%				9.07%	27.97%	-1.63%	-3.30%	N/A
CONVERTIBLES																								
TCW	30,602	10.1%	10.0%	1.51%	30,225	10.0%	10.0%	-2.90%	31,045	10.0%	10.0%	2.50%	30,728	10.3%	10.0%	9.98%	27,937	9.9%	10.0%	1.85%	13.17%	10.23%	-9.51%	N/A
First Boston Convertible Index				0.64%				-1.93%				2.57%				8.54%				2.67%	12.81%	15.46%	-3.77%	N/A
INTERNATIONAL EQUITY																								
Large Cap - Active																								
Capital Guardian	25,031	8.3%	8.0%	-1.07%	26,126	8.6%	8.0%	-0.62%	26,057	8.4%	8.0%	3.50%	25,150	8.4%	8.0%	13.03%	22,161	7.9%	8.0%	8.14%	24.39%	-10.31%	-15.85%	N/A
MSCI EAFE - 50% Hedged				-0.57%				-0.53%				4.09%				13.15%				6.58%	24.15%	-11.24%	-15.51%	N/A
Small Cap - Value																								
Lazard	2,756	0.9%	1.0%	0.54%	2,391	0.8%	1.0%	-0.10%	3,500	1.1%	1.0%	8.63%	3,221	1.1%	1.0%	14.50%	3,008	1.1%	1.0%	9.92%	37.32%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				-1.40%				-3.20%				12.80%				13.31%				15.95%	41.45%	N/A	N/A	N/A
Small Cap - Growth																								
Vanguard	2,640	0.9%	1.0%	-1.15%	2,329	0.8%	1.0%	-1.98%	3,286	1.1%	1.0%	10.37%	3,456	1.2%	1.0%	14.06%	2,918	1.0%	1.0%	14.95%	40.22%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-1.40%				-3.20%				12.80%				13.31%				15.95%	41.45%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	30,428	10.0%	10.0%	-0.95%	30,846	10.2%	10.0%	-0.70%	32,844	10.6%	10.0%	4.76%	31,827	10.6%	10.0%	13.28%	28,087	10.0%	10.0%	8.97%	27.19%	-9.20%	-15.51%	N/A
MSCI EAFE - 50% Hedged				-0.57%				-0.53%				4.09%				13.15%				6.58%	24.15%	-11.24%	-15.51%	N/A
DOMESTIC FIXED INCOME																								
Core Bond																								
Western Asset	46,996	15.5%	15.0%	-0.41%	64,317	21.3%	15.0%	-2.41%	68,819	22.3%	22.5%	2.96%	66,988	22.3%	22.5%	1.62%	65,662	23.4%	22.5%	-0.16%	1.53%	12.77%	11.23%	N/A
Lehman Aggregate				-0.40%				-2.60%				2.66%				0.32%				-0.14%	-0.24%	10.39%	10.07%	N/A
Index																								
Bank of ND	61,335	20.3%	22.5%	-0.45%	46,299	15.3%	22.5%	-2.36%	37,868	12.3%	13.5%	3.01%	35,897	12.0%	13.5%	0.07%	35,920	12.8%	13.5%	-0.46%	-0.28%	13.26%	10.87%	N/A
Lehman Intermediate Gov/Credit (1)				-0.45%				-2.37%				3.08%				-0.03%				-0.50%	-0.35%	13.14%	10.82%	N/A
BBB Average Quality																								
Strong	26,218	8.7%	7.5%	-0.88%	25,882	8.6%	7.5%	-3.16%	27,906	9.0%	9.0%	3.30%	27,728	9.3%	9.0%	1.46%	27,526	9.8%	9.0%	0.02%	0.62%	17.91%	N/A	N/A
Lehman US Credit BAA				-0.81%				-3.22%				3.41%				1.22%				0.27%	0.76%	18.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	134,549	44.4%	45.0%	-0.51%	136,497	45.1%	45.0%	-2.55%	134,593	43.5%	45.0%	3.05%	130,612	43.6%	45.0%	1.15%	129,107	45.9%	45.0%	-0.21%	0.85%	13.18%	10.80%	N/A
Lehman Gov/Credit				-0.51%				-3.07%				3.08%				-0.03%				-0.50%	-1.12%	13.14%	10.82%	N/A
CASH EQUIVALENTS																								
Bank of ND	17,287	5.7%	5.0%	0.11%	16,058	5.3%	5.0%	0.09%	15,018	4.9%	5.0%	0.29%	13,541	4.5%	5.0%	0.29%	13,771	4.9%	5.0%	0.30%	1.09%	1.57%	3.26%	N/A
90 Day T-Bill				0.09%				0.08%				0.24%				0.26%				0.25%	0.92%	1.52%	3.33%	N/A
TOTAL NDACo FUND	302,836	100.0%	100.0%	0.19%	302,515	100.0%	100.0%	-2.46%	309,059	100.0%	100.0%	3.28%	299,725	100.0%	100.0%	6.66%	281,162	100.0%	100.0%	2.60%	10.45%	6.76%	-0.26%	N/A
POLICY TARGET BENCHMARK				0.21%				-2.45%				3.03%				5.97%				2.19%	9.08%	6.53%	0.64%	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.  
(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.